

ADDITIONAL FUNDS FOR THE WORKS PROGRESS
ADMINISTRATION

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSAL TO PROVIDE LEGISLATION ENABLING THE WORKS
PROGRESS ADMINISTRATION TO CONTINUE TO ASSIST THE
PRESENT NUMBER ON RELIEF ROLLS

MARCH 14, 1939.—Referred to the Committee on Appropriations and ordered to
be printed

To the Congress of the United States:

At the opening of this session I advised the Congress of the number of needy unemployed persons who were able to perform useful work. The estimates, based on actual and estimated figures, showed that in the judgment of the Executive branch of the Government 3,000,000 persons should continue to be employed during the winter months, followed by a reduction to 2,700,000 persons during the latter part of the 5 months' period ending on June 30, 1939. The amount of money required to supply these needs was estimated at \$875,000,000.

Early in February the Congress appropriated \$725,000,000, with directions that the number of persons on the relief rolls should not be decreased in number more than 5 percent during February and March, and, in effect, requesting me to recheck the new situation thus created and advise the Congress of the results.

On February 7 I reported to the Congress that the reduction in the appropriation in itself created an emergency; that the number of persons on the relief rolls and on the "waiting list" had not decreased in number since early January; that as a result the need of these people was as great as before; that by continuing their employment during February and March half of the entire appropriation would be expended, leaving only the other half of the appropriation for the maintenance of relief during April, May, and June; that the amount of money

remaining after April 1 would make it necessary to discharge, between that date and June 30, nearly half of the numbers on relief; that this, in my judgment, would constitute a definite hardship; and that I was advising the Congress of this fact in order to give sufficient time to study the conditions which would result from the curtailment of funds.

April 1 is approaching; and in pursuance of the spirit of the request for further information, I feel impelled again to call the attention of the Congress to the very serious situation which exists. Within about 3 weeks the reduction of Works Progress Administration employment must begin, in order that the remainder of the appropriation may be apportioned over the months of April, May, and June, unless more money is appropriated quickly.

Since my messages of January and February, a careful check-up shows that there has been no substantial change in the conditions of unemployment. On the contrary, recent data have become available substantiating the real need for an additional appropriation of \$150,000,000.

Partly because of seasonal conditions, the volume of employment has decreased since the end of December. This includes industrial and agricultural employment. Therefore, the need for unemployment relief has increased.

Due to the seasonal factors, Works Progress Administration employment was maintained in February at an average of 2,996,000 persons, and the average for March is being held at approximately the same figure.

Despite this fact, the number of persons now certified as being in need and eligible for employment is actually higher than it was a month ago. This so-called waiting list actually does not reflect the total needs, because in certain States certifications of eligibility are not given to the Federal authorities by the local public-relief agencies until actual vacancies exist to which needy persons can be assigned.

It is my belief that improvement in business conditions between now and June will result in substantial increase in employment. However, based on the experience of the past, it cannot be expected that this increase will absorb more than 300,000 of those who are now on the Works Progress Administration rolls or who have been certified as in need and awaiting assignment.

That means that the present total of these 2 categories—3,850,000 persons—would be reduced to 3,550,000.

In accordance with the requirements of the recent appropriation law, approximately 30,000 aliens have been removed from the rolls. The current investigation of the actual need of relief employees will shortly be completed in the field, but it is already clear from preliminary reports that the number who will be eliminated will not exceed 5 percent of the total and may be considerably less.

All possible economies in administration and operation are being sought and will be constantly checked, but here again the cold facts, which have been given insufficient emphasis, require restatement.

Out of every \$100 of Federal funds expended by the Works Progress Administration, only \$3.50 is for administrative overhead; \$10.50 is spent for materials, equipment, and supplies; \$86 is paid out directly in the form of wages. As a business proposition it occurs to me that some modicum of commendation is in order.

If no additional appropriation is made, the Works Progress Administration must of necessity issue instructions, within the next week, to reduce the number employed. The plan proposed by the Administrator is to effect a reduction of approximately 400,000 in the first week in April, and a further reduction of 600,000 in the first week in May. This will reduce the total employment to 2,000,000 persons.

However, even these drastic cuts will not be sufficient to make the available fund last through to June 30, and still comply with the requirements of the statutes. Therefore, a still further reduction of more than 200,000 will have to be made early in June.

This plan has been recommended as being preferable to a program of week-to-week reductions because, under the latter, more persons would eventually lose their jobs.

Under the proposed plan, the number of persons who will be thrown out of employment in the near future is 1,000,000—growing to over 1,200,000 before June 30. The number of persons, including dependents, affected by this reduction will be 4,000,000 within the next few weeks and nearly a million more later on.

To these must be added the "waiting list" category—because it is obvious that while people now on the rolls are being discharged no people can be employed from the "waiting list."

I am of the opinion that States, counties, and municipalities are doing, in the overwhelming majority of cases, all that their finances will permit to meet the situation.

I further believe that, with few exceptions, those who are employed are actually in need and are not receiving more than they should in the form of Federal assistance.

It is the obvious duty of the Chief Executive to point out the need which exists and to give all possible factual information. This I have attempted to do in order that the legislative branch of the Government, in which the final decision and full responsibility necessarily rests, may act.

Because it has been alleged that I would be satisfied if no further appropriation were made for the coming 3 months, I feel that in justice to myself I must make it clear that I am not sending this message to the Congress merely for the purpose of going through motions.

For more than 6 years it has been the definite policy of the President and the Congress that needy persons, out of work, should not be allowed to starve; that it was an obligation of the Federal Government to give work to those able to work and an obligation of State and local governments and of private charities to take care of those needy persons who are unable to work.

That policy, I am more than ever confident, is right. It should not be abandoned now.

It is wholly within the right of any and all of us to study and work for the greater efficiency of government. For several years infinite study has been given to the problems of relief in all its forms; additional studies are proper. But the Government of the United States is faced today with a condition and not a theory. The insufficiency of the money appropriated will compel the Administrator to discharge about a million and a quarter actual workers in the immediate future.

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I cannot bring myself to believe that these discharged men and women will contribute to the prosperity of the United States, nor do I believe that the merchants and landlords they are now dealing with will become more prosperous when their trade ceases.

Therefore, the responsibility for the situation in which all of these people will find themselves during the coming 3 months rests of necessity within the decision of the Congress of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,
March 14, 1939.

